

**Education and Workforce Development Cabinet**

# **Kentucky's jobless rate increases to 10.2 percent in November**

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**Contact Information:**

**Editor's Note:** Preliminary November and revised October labor market information are included in this release.

FRANKFORT, Ky. — Kentucky's seasonally adjusted preliminary unemployment rate increased to 10.2 percent in November 2010 from a revised 10 percent in October 2010, according to the Office of Employment and Training (OET), an agency of the Kentucky Education and Workforce Development Cabinet.

The November 2010 jobless rate is .5 percentage points lower than the 10.7 percent rate recorded in November 2009 for the state. The 10.2 percent rate recorded in November 2010 is the highest rate since May 2010 when it was 10.4 percent.

"In November 2010, Kentucky's economy sputtered, as the unemployment rate climbed to 10.2 percent. However, a portion of that increase is attributed to a rise in the number of entrants and re-entrants into the civilian labor force," said Dr. Justine Detzel, OET chief labor market analyst.

The U.S. seasonally adjusted jobless rate increased from 9.6 percent in October 2010 to 9.8 percent in November 2010, according to the U.S. Department of Labor.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

Six of the 11 major nonfarm North American Industry Classification System (NAICS) job sectors reported an employment increase in November 2010, while four decreased and one stayed the same,

according to OET. A decrease of 2,200 jobs in November 2010 brought Kentucky's nonfarm employment to a seasonally adjusted total of 1,777,400. In contrast, Kentucky's nonfarm employment has grown by 12,000 workers since November 2009.

According to the seasonally adjusted employment data, Kentucky's educational and health services sector reported a jump of 1,100 workers in November 2010. The sector has gained 3,300 workers since November 2009. This sector includes private and nonprofit establishments that provide either education and training or health care and social assistance to their clients.

"Employment gains in November 2010 occurred predominantly at educational services businesses. Institutions of higher learning often see an uptick in enrollment during economic downturns as individuals return to school or choose to continue their education," said Detzel.

Construction sector jobs rose by 1,000 in November 2010. Since November 2009, employment in the construction sector has plunged by 4,800 jobs.

"The start of multiple commercial and public works projects contributed to the job growth in construction sector. In addition, specialty trade contractors, such as heating and air businesses and plumbing and pipe-fitting companies, boosted their payrolls in November 2010," said Detzel.

Employment in the mining and logging sector rose by 300 workers in November 2010. The sector has gained 900 workers since November 2009.

The financial activities sector added 300 jobs in November 2010. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has lost 1,400 positions since November 2009.

Kentucky's manufacturing sector gained 200 jobs in November 2010. Since November 2009, employment in the manufacturing sector has expanded by 6,200 positions.

"This represents the fourth consecutive month of employment growth and the eighth time in the last nine months the number of industrial workers has risen. Job gains are attributed to the durable goods subsector," Detzel said.

The information sector reported 200 more workers in November 2010 than October 2010. This segment, which includes firms involved in publishing, Internet activities, data processing, broadcasting and news syndication, has decreased by 500 positions since November 2009.

The trade, transportation and utilities sector maintained steady employment in November 2010. This area includes retail and wholesale trade, transportation and warehousing businesses and utilities. It is the largest sector in Kentucky with 366,200 employees. Since November 2009, the number of jobs in this sector has jumped by 7,200.

Kentucky's leisure and hospitality sector plunged by 2,400 jobs in November 2010. Since November 2009, the sector has dropped by 100 positions. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations and food services and drinking places industries.

"The November 2010 employment losses were concentrated in accommodations and food services enterprises, which are indicative of numerous restaurants closing. As the economy sputters, consumers are curtailing luxuries and splurging less on restaurant meals and leisure activities," said Detzel.

The government sector, which includes public education, public administration agencies and state-owned hospitals, lost 1,300 jobs in November 2010. The sector has 3,700 fewer jobs than in November 2009.

"The over-the-year contraction is concentrated in the state government subsector, which is a sign of multiple rounds of cutbacks to alleviate a budget deficit," said Detzel.

Employment in the other services sector, which includes such establishments as repair and maintenance businesses; personal and

laundry services; religious organizations and civic and professional organizations, plummeted by 1,100 positions in November 2010. This sector had 1,100 more positions in November 2010 as compared to November 2009.

The professional and business services sector fell by 500 positions in November 2010. This area includes professional, scientific and technical services; management of companies; and administrative support and waste management, including temporary help agencies. Since last November, jobs in the sector have climbed by 3,800.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for November 2010 was 1,875,730 on a seasonally adjusted basis. This figure is up 1,051 from the 1,874,679 employed in October 2010, and up 26,053 from the 1,849,677 employed in November 2009.

The monthly estimate of the number of unemployed Kentuckians for November 2010 was 212,829, up 3,900 from the 208,929 Kentuckians unemployed in October 2010, but down 8,155 from the 220,984 unemployed in November 2009.

The monthly estimate of the number of Kentuckians in the civilian labor force for November 2010 was 2,088,559. This figure is up 4,951 from the 2,083,608 recorded in October 2010, and up 17,898 from the 2,070,661 recorded in November 2009.

Civilian labor force statistics include nonmilitary workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at [www.workforce.ky.gov](http://www.workforce.ky.gov).

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